

CABINET

11th April 2018

ADDENDUM TO COUNCIL TAX SUPPORT - HARDSHIP POLICY

Relevant Portfolio Holder	Cllr B Cooper
Portfolio Holder Consulted	√
Relevant Head of Service	Amanda Singleton, Head of Customer Access and Financial Support
Wards Affected	All Wards
Key Decision	

1. SUMMARY OF PROPOSALS

- 1.1 On Thursday 18th January Worcestershire County Council (WCC) made the following resolution:

"This Council recognises the challenges young people face transitioning out of the care system into adulthood. Research from The Centre for Social Justice found that 57% of young people leaving care have difficulty managing their money and avoiding debt when leaving care.

This Council aspires to champion the children and young people in its care, enabling them to have the best possible outcomes. To improve outcomes for Care leavers this Council believes the cliff edge of the current council tax system needs to be reformed to help Worcestershire's young people transition into an independent and successful adult life.

This Council believes care leavers are a particularly vulnerable group for council tax debt.

The Children and Social Work Act 2017 places corporate parenting responsibilities on district councils for the first time, requiring them to have regard to children in care and care leavers when carrying out their functions.

This Council resolves to underline its commitment to corporate parenting and improving outcomes and requests Worcestershire's six council tax billing authorities to support the transition of care leavers who become council tax payers by:

Reducing their net liability for council tax under the national scheme and after council tax support to zero, until the care leaver's 21st birthday.

Introducing a transitional discretionary discount scheme to enable a reduction of liability for council tax up to and including zero from their 21st birthday until the care leaver's 25th birthday."

- 1.2 This was endorsed by Leaders across the county at Leaders Board on 1st February 2018 with an amendment to provide full support until the care leavers 25th birthday.
- 1.3 In order to achieve this aim Bromsgrove District Council must make an amendment to its Council Tax Support (CTS) Hardship Policy.
- 1.4 It is proposed to that this requirement be met by way of an addendum (Appendix 1) for 2018/19, until such time as the review of the Council Tax Support Scheme 2019 (CTSS) is completed and a decision as to whether it should be included in the core CTSS can be made.

2. RECOMMENDATIONS

- 2.1 **The Cabinet is asked to RECOMMEND to Council that the addendum to the Council Tax Support Hardship Policy 'Support for Care Leavers' be agreed.**

3. KEY ISSUES

Financial Implications

- 3.1 It was agreed at Leaders Board to use the discretionary hardship funds to reduce council tax liability to zero for care leavers under the age of 25 with effect from 1st April 2018, where the care leaver is in receipt of some council tax support for at least part of the year.
- 3.2 The cost of providing the support to care leavers as set out in the addendum to the CTS Hardship Policy 'Support for Care Leavers' is currently estimated to be £8k per annum based on current details provided by WCC, but this will fluctuate depending on numbers of care leavers in the district.
- 3.3 Leaders agreed that should the financial burden or additional administrative costs become unmanageable for any district then that district council reserves the right to seek financial assistance from WCC.

Legal Implications

- 3.4 Section 131A 1c of the Local Government Finance Act 1992, as amended by the Local Government Finance Act 2012 sets out the requirement for Council's to develop and adopt localised Council Tax Support Schemes, and provides the Council with discretionary powers to provide additional support.

Service/Operational Implications

- 3.5 It is reliant on WCC to notify the district council promptly of all care leavers under the age of 25 living in the district, and to advise the council as a young person is leaving care in the future to ensure that the necessary administration can be undertaken in respect of Council Tax liability.
- 3.6 The administrative burden is unknown at this stage. The expectation is that the adjustments can be absorbed within existing resources. However there is provision within the agreement with WCC to seek further financial assistance if necessary.

Customer / Equalities and Diversity Implications

- 3.7 This will provide further opportunity to support financial independence in the district in line with the Council's strategic purpose.
- 3.8 An equality impact assessment (EIA) has been carried out and the following benefits identified:

Eliminate unlawful discrimination, harassment and victimization:

Proposal for extra support up to the age of 25 years to support a vulnerable group and reduce the financial gap between care leavers and their peers.

Advance Equality of opportunity between different groups:

Proposed changes will not directly impact any other age groups and the changes will advance equality of opportunity for care leavers with their peers.

Foster good relations between different groups: The additional support will reduce the financial burden for care leavers and in turn reduce the gaps currently faced between this vulnerable group and their peers, promoting community cohesion.

- 3.9 Care leavers are considered to be disproportionately disadvantaged when transitioning to adulthood compared with other young people. As a council, we act as Corporate Parents for all care leavers. Any

potential unfairness to other vulnerable persons as a result of their age has been considered. The Hardship Fund is available to people of any age to apply for additional support and their need would be assessed on a case by case basis. This eliminates or minimises potential unfairness towards other vulnerable young persons.

4. RISK MANAGEMENT

- 4.1 The Children and Social Work Act 2017 places corporate parenting responsibilities on district councils for the first time, requiring them to have regard to children in care and care leavers when carrying out their functions. Failure to agree to the addendum would result in the council offering a lower rate of support to care leavers than the rest of the County and could result in legal challenge.

5. APPENDICES

Appendix 1 - Addendum to CTS Hardship Policy – Care Leavers

6. BACKGROUND PAPERS

WCC Minutes of Council meeting 18th January 2018
Leaders Board Report 1st February 2018
BDC CTS Hardship Policy

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